



Independent School District No. 492 • Austin Public Schools • District Administration
401 Third Avenue NW • Austin, Minnesota 55912

Lori Volz
Director of Finance and Operations

Federal Communications Commission
Office of the Secretary
445 - 12th Street, SW
Washington, DC 20554

Telephone (507) 433-0918
Fax (507) 433-0950
E-mail: lvolz@austin.k12.mn.us

RECEIVED

FEB 26 2003

February 17, 2003

Federal Communications Commission
Office of the Secretary

Ra: Billed Entity Number: 133709
471 Application Number: 285292
Funding Request Number: 732240
Purpose of Appeal: Administrator's Decision on Appeal
Funding Year: 2002-2003
CC Docket Nos.: 96-45 and 97-21

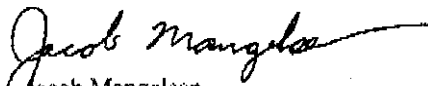
This letter is written to nppcal h e **Administrator's Decision** to deny **E-rate** funding for the **Austin Public Schools** (0492) in **Austin, Minnesota** on Internet Services provided by **Southern Minnesota Internet Group (SMIG)**. This **appeal** can be readily discussed with **Jacob Mangelsen**, 401 Third Avenue NW, Austin, MN 55912, phone (507) 433-0930, fax (507) 433-0950, jmangelsen@austin.k12.mn.us.

The following documents are being sent to the above address and are included with this email as attachments:

- Copy of SLD Decision on Appeal
- Copy of our first letter of appeal to SLD
- Corrected Version of the Tennessee Test Questionnaire
- Statement regarding the Remote Access Router
- A letter from SMIG describing services provided
- A copy of the 2001-2002 Funding Commitment Report showing approved funding for the same services from SMIG.

We feel that the circumstances show that this is an eligible service for the E-rate program. Initially we incorrectly completed the questionnaire. Upon our appeal we submitted an accurately completed questionnaire. According to the Administrator's Decision on Appeal, however, our appeal was not even considered. Thank you for considering this appeal.

Respectfully,


Jacob Mangelsen
District Accountant

No. of Copies rec'd _____
List ABOVE



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2002-2003

December 20, 2002

Sandra Livingston
Austin School District Number 492
401 third Avenue
Austin, Texas 55912

Re: Billed Entity Number: 133709
471 Application Number: 285292
Funding Request Number(s): 732240
Your Correspondence Dated: May 30, 2002

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Five Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 732240
Decision on Appeal: Denied in full
Explanation:

- You state the services ordered from Southern Minnesota Group are for internet access not internal connections and the Tennessee questionnaire was completed and returned incorrectly.
- According to program rules, the Tennessee Test must be applied when leased equipment is located at the applicant site for which the applicant requests Priority 1 funding. On January 22, 2002, you supplied the answers to the test in writing, which did not meet all of the criteria. You stated at that time that the equipment was not provided by the same provider as the provider of your internet access. The funding request was therefore modified from internet access to internal connections, and then denied because the discount was below the threshold. Upon thorough review, it has been determined that PIA properly followed procedures. Therefore, the information supplied *on* appeal cannot be considered. Consequently, the appeal is h i e d

10-2003 16:18

P.03/03

- Since your Form 471 included some internal connections services within your Block 5 request for priority one services, your Form 471 request has been re categorized as a request for internal connections services. For Funding Year Five, there are not sufficient funds to provide internal connections discounts to applicants at your discount rate. Your discount eligibility is 67%. Consequently, SLD denies your appeal because there is insufficient funding for Funding
 - The services you listed as Internet access on your Form 471 included some internal connections services. FCC rules require that where demand for funding exceeds available support, first priority be given to requests for telecommunications services and Internet access. See 47 C.F.R. §54.507(g)(1)(i). FCC rules further require that requests for internal connections be given second priority, and be funded only if funds remain after support has been provided for telecommunications and Internet access through all discount levels in a funding year. See 47 C.F.R. § 54.507(g)(1)(ii). Where demand for discounts for internal connections exceeds available support, FCC rules require funding be awarded first to applicants eligible for a ninety percent discount level, and then at each descending single discount percentage until funds are depleted. See 47 C.F.R. § 54.507(g)(1)(iii). Program procedures further require that funding requests for telecommunications/Internet access services that include internal connections services be re categorized as internal connections services to prevent priority two services (internal connections) being treated as priority one services (telecommunications and Internet access services) for funding decisions.
- If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission (FCC) via United States Postal Service: FCC, Office of the Secretary, 445-12th Street SW, Washington, DC 20554. If you are submitting your appeal to the FCC by other than United States Postal Service, check the SLD web site for more information. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. The FCC must RECEIVE your appeal WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER for your appeal to be filed in a timely fashion. Further information and new options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site, www.sl.universalservice.org.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

file copy



Independent School District No. 492 • Austin Public Schools • District Administration
401 Third Avenue NW • Austin, Minnesota 55912

Sandra Livingston
Accountant

Telephone (507) 433-0930
Fax (507) 433-0950
E-mail: slivingston@austin.k12.mn.us

Letter of Appeal
Schools and Libraries Division
Box 125 - Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

May 30, 2002

Re: Form 471 Application Number: 285292
Funding Year 2002: 07/01/2002 - 06/30/2003
Billed Entity Number: 133709
Applicant's Form Identifier: 492yr5

This letter is an appeal of the FCD letter dated May, 7 2002 to applicant Austin School District 492. This appeal can readily be discussed with Sandra Livingston, 401 Third Avenue NW, Austin, MN 55912, phone 507-433-0930, fax 507-433-0950, slivingston@austin.k12.mn.us.

The FRN is 732240. The exact words that give rise to the appeal are Services Ordered: Internal Connections and FCD Explanation: Category of Service was changed from Internet to Internal Connections.

This decision is being appealed because the services ordered from Southern Minnesota Internet Group are Internet Access and the category of service has not changed. A questionnaire received on January 10, 2002 from Nate Fearington of SLD was completed and returned incorrectly. I am re-submitting this corrected form along with a copy of the fax correspondence. I am also enclosing a statement from the Service Provider to validate that they continue to be our Internet Access Provider. Finally, I am enclosing a copy of the FCD letter from the prior year pertaining to the same service provider for the same service in which the FRN was approved as submitted.

Thank you for considering this appeal. I look forward to hearing from you.

Respectfully,

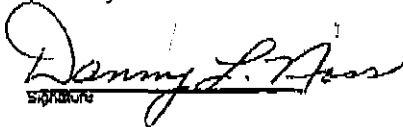

Sandra Livingston, District Accountant

January 22, 2002

In some instances, service providers may install equipment on the premises of schools or libraries as part of their provisioning of eligible Telecommunications Services of Internet Access. Please respond to the following questions:

- * 1. Does the provider providing the on-premise equipment also provide the service? yes Will ownership of the equipment transfer to the School/Library in the future? No
2. Does the relevant contract or lease include an option to purchase the equipment? No
3. Although you may be the only party accessing the equipment, does the school/library have a contractual right to exclusive use of the equipment? No
4. Will the school or library use the equipment for any purpose other than receipt of the eligible Telecommunications Services of Internet Access of which it is a part? No
5. Will the local area network for data communications of the school/library function without dependence on the equipment (that is external to the LAN)? No
6. Does responsibility for maintaining the equipment rest with the service provider? YES

I certify that the above statements are true

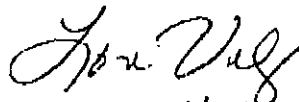

signature

DANNY L. NOSS
Print Name

TECHNOLOGY COORDINATOR

1/22/02
Date

5/24/02


Lori Votz

Director of Business Services

1-22-02 5-24-02

Jan-22-2002 11:59am From-NORTH REGION

T-919 P.005/006 F-552

JM?

Application \$285292

Funding Year 5

Entity 133709

Remote Access Routers

"The remote access router(s) for which I seek discounts will not be used to provide remote access in the funding year or, if it is to be used remotely, I will take steps to ensure that only entities eligible for support under the Schools and Libraries program have the capability to access it. In the latter case, for example, access will not be available from homes or other non-school or non-library sites."

I certify that the above statement is true.

Signature _____

Print Name _____

Title _____

Date _____

Austin Public Schools is
not seeking a discount for
the remote access router.
This router is owned by
the ISP.

Danny L. Noss

DANNY L. NOSS

Technology Coordinator

1/22/02

Lori Vitz

Lori Vitz

Director of Business Services

1-22-02

Letter from Service Provider



SOUTHERN MINNESOTA INTERNET GROUP

SMIG

**801 16TH Avenue N.E.
Austin, MN 55912
(507) 437-9698 or (866) get-SMLQ
www.smig.net**

May 29, 2002

**Schools and Libraries Division
Box 125 - Correspondence Unit
80 S. Jefferson Road
Whippany, NJ 07981**

**RE: Form 471 Application Number 285292
FRN 732240
Funding Year 2002, 7/1/02 - 6/30/03
Billed Entity Number 133708**

This letter is written to specify the type of services provided by Southern Minnesota Internet Group to Austin School District 492. We provide internet access to the school district, have provided this service for the last several years and have a contract with Austin School District 492 to provide Internet access through June 30, 2003. The type of service that Southern Minnesota Internet Group provides to the school district has not changed and does not include internal connections.

Respectfully,

Kerry J. Kestner

**Kerry J. Kestner (formerly Wolcott)
Administrative Assistant
507-437-9651
kjkestner@smig.net**

Contract with Service Provider

This contract is between Southern Minnesota Internet Group (SMIG) and Austin Public Schools (APS). Under this contract SMIG agrees to provide Internet Access and other features as delineated in this contract. This contract falls under the FCC E-Rate Program.

ISD492CONTRACT#: 2000-001

VENDOR !

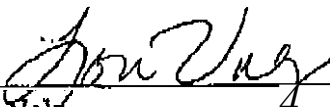
Southern Minnesota Internet Group
801 16th Avenue NE
Austin, Minnesota 55912
SPIN #: 143006387

Term of Contract: July 1, 2000 through June 30, 2003

Monthly Fee: \$525.00 (Payable in two semi-annual payments of \$3,150.00)

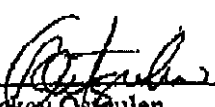
Southern Minnesota Internet Group's Responsibilities:

- Provide full time T1 Internet access for all APS operations.
If APS decides to expand the bandwidth of their wireless communication network during this contract period, this item will be reviewed.
- Provide Domain Name Service functions for APS access to the Internet.
- Provide T1 router interface to the Internet.
- Provide telephone technical support for Internet access.
- Provide virtual hosting of Web Pages for all APS facilities.
Initial size of web page allocation on the SMIG server will be 10MB. If this amount of space proves insufficient once all APS web pages are operational, this item will be reviewed.
- Provide five (5) dial-up accounts for Internet/Email access.
The APS Technology Coordinator will approve all dial up accounts and provide written documentation to SMIG.
- Provide a location at their facility for:
 - Wireless communications receiver
 - External mounted wireless antenna
 - Any other equipment that is required for SMIG to meet the intent of this contract.



Lori Volz
Director of Business Services
Austin Public Schools

Date: 4-19-00



Rick Osgulen
President
Southern Minnesota Internet Group

Date: 5/10/2000

Prior Year FCD

Jm3

FUNDING COMMITMENT REPORT

Form \$71 Application Number: 222841
Funding Request Number: 512679 Funding Status: Funded
Services Ordered: Telecommunications Service
SPIN: 143001158 Service Provider Name: USLink, Inc.
Contract Number: 5074330966
Billing Account Number: 5074330966
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 07/01/2003
Pre-Discount Amount: \$7,200.00
Discount Percentage Approved by the SLD: 63%
Funding Commitment Decision: \$4,536.00 FRN approved as submitted

Funding Request Number: 512683 Funding Status: Funded
Services Ordered: Internet Access
SPIN: 143006387 Service Provider Name: Southern Minnesota Internet Group
Contract Number: 99008
Billing Account Number: 99008
Earliest Possible Effective Date of Discounts 07/01/2001
Contract Expiration Date: 07/31/2003
Pre-Discount Amount: \$6,300.00
Discount Percentage Approved by the SLD: 63%
Funding Commitment Decision: \$3,969.00 FRN approved as submitted

Funding Request Number: 512688 Funding Status: Funded
Services Ordered: Telecommunications Service
SPIN: 143016200 Service Provider Name: DTI
Contract Number: 100125
Billing Account Number: 100125
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 06/30/2003
Pre-Discount Amount: \$8,820.00
Discount Percentage Approved by the SLD: 63%
Funding Commitment Decision: \$5,556.00 FRN approved as submitted

Funding Request Number: 512703 Funding Status: Funded
Services Ordered: Telecommunications Service
SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West Co
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 06/30/2005
Pre-Discount Amount: \$37,752.00
Discount Percentage Approved by the SLD: 63%
Funding Commitment Decision: \$23,783.76 FRN approved as submitted